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THE COMMUNITY DEVELOPMENT PROCESS

of the

CITY OF OAKLAND :


PRELIMINARY FINDINGS AND RECOMMENDATIONS

November 1974

I. Background of the Study

With the proliferation of Federal categorical grant programs in the decades of the fifties and the sixties (from forty-eight programs to well over one thousand), there came the creation of an extremely complex Federal delivery system, an enormous amount of red-tape, and a fragmentation of responsibility and authority at the local level.

The few Federal officials who understood the problems this system created for local government, began to develop in 1970-1971, a conceptual approach for consolidation of these grants into more broad, flexible "block" grants. The first of these to be developed was in the area of community development. Along with five other program areas, the first legislative proposals were made to the Congress in 1972, under the title of "Special Revenue Sharing". Although basically not a revenue sharing program at all, the concept met with clear bipartisan support and the U.S. Senate passed a Community Development block grant measure, by an overwhelming eighty to one vote. The Housing Subcommittee of the House reported out a similar measure, but due to delays and procedural problems, the House Rules Committee failed to report out a bill prior to adjournment.



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Again in 1973, similar legislation was introduced, but this time, recognizing the confusion of terms, the proposal was referred to as the "Better Communities Act" and the terminology "special revenue sharing" was dropped.

Both Houses of Congress responded, and the "Housing and Community Development Act of 1974" was signed into law on August 22, 1974.

Against this back-drop the Oakland City Council, by resolution adopted January 29, 1974, requested the Oakland Redevelopment Agency (ORA) to prepare its recommendations as to how the city might best undertake its responsibilities under the then pending legislation. It is important to note here the obvious omission of any role for the City Staff, an omission which is symptomatic of a very serious deficiency and weakness in the entire structure and process of government in the City of Oakland.

By report dated June 14, 1974, entitled "New Directions for Oakland", ORA complied with that request.

City Staff, under the direction of the manager, have prepared comments to this document (but initiated no independent effort of their own, in spite of the slight given them by the January 29th resolution). In addition, the Community Action Agency, WOPC of the Model

Cities Program, and OCCUR have prepared position papers relative to various functions or roles under the new Community Development legislation.

Subsequent to a work session on this subject by the Council on September 17, 1974, McManis Associates were engaged to assist in resolving the major issues that had arisen, and for the purpose of guiding the city in its efforts to organize for and carry out the broader responsibilities given it under the 1974 Housing and Community Development Act.

McManis Associates immediately began the fact-finding phase of the undertaking. This included the review of all relevant reports and documents such as:

ORA report "New Directions for Oakland"
Comments thereon by City Staff, OCCUR,
WOPC, etc.
The Oakland City Charter
Budget documents of City, ORA, Model
Cities, Community Action, Housing
Authority
Evaluation reports of Model Cities
Program reports and activities of
ORA, Model Cities, Community Action,
Housing Authority

Extensive interviews were conducted with the following:

The Mayor and members of the Council
City Manager, Deputy, and Assistants
City Department heads (Planning, Building
and Housing, Manpower)
ORA Executive Director, Commissioners,
and project coordination staff
Model Cities Director, Deputy, and
planning and evaluation staff
Community Action Director and Deputy
Housing Authority Director and Chairman
Chairman and Executive Director, WOPC
District Representative for Congressman
Dellums
Executive Director, New Oakland Committee

As a result of the above efforts of the McManis team*, the following "Preliminary Report and Recommendations" has been prepared for consideration, discussion, and action by the Oakland City Council.

* Floyd H. Hyde, Margaret S. Seeley, Dr. George Kelley

II. THE COMMUNITY DEVELOPMENT PROGRAM

The Department of Housing and Urban Development has issued draft regulations for the purpose of implementing Title I of the Housing and Community Development Act of 1974 (community development block grants beginning on January 1, 1975). There follows a basic outline of the program and the administrative requirements which must be met.

-Objectives to be met by grants (in each case, principally for persons of low and moderate income):

- . Elimination of slums and blight and the prevention of blighting influences
- . Elimination of conditions which are detrimental to health, safety, and public welfare
- . Conservation and expansion of the nation's housing stock
- . Expansion and improvement of the quantity and quality of community services
- . More rational use of land and other natural resources
- . Reduction of the isolation of income groups
- . Restoration and preservation of historic, architectural, and esthetic properties of special value
- . Further the development of a national urban growth policy by consolidating a number of complex and overlapping programs of special assistance into a consistent system which
(1) encourages activities which are consistent

with local planning, (2) furthers achievement of the national housing goal, (3) provides assistance on an annual basis, and (4) fosters community development and housing activities in a coordinated, mutually supportive manner

-The major eligible activities for which community development grants may be used are as follows:

- . Acquisition of real property which is (1) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed, (2) appropriate for rehabilitation or conservation activities, (3) Appropriate for historic preservation, urban beautification, conservation of open spaces, provision of recreational opportunities, or guiding urban development, and (4) to be used for other eligible public purposes
- . Provision of neighborhood facilities, senior centers, utilities, streets, street lights, water and sewer facilities, pedestrian malls and walkways, recreational facilities, flood and drainage facilities (where other Federal assistance is not available); and parking, solid waste disposal, and fire protection facilities in areas where other community development activities are being carried out
- . Code enforcement in deteriorated or deteriorating areas
- . Clearance, demolition, removal, and rehabilitation
- . Special projects for the elderly and handicapped
- . Payments for loss of rental income in holding housing units for program relocatees
- . Provision of public services in areas being assisted through the community development program (and where other forms of Federal assistance are not available); such services directed toward (a) improving capabilities in employment, economic development, crime

prevention, child care, health, drug abuse, education, welfare, and recreation, and (b) coordinating public and private development programs

- . Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken in a community development effort
- . Relocation payments
- . Activities necessary to (a) develop a comprehensive community development plan and (b) develop a policy-planning-management capability so that the local government may more rationally and effectively determine its needs, set long-term goals and short-term objectives, evaluate the progress of such programs in accomplishing these goals and objectives, and carry out management, coordination, and monitoring of activities necessary for effective plan implementation
- . Payment of reasonable administrative costs for the planning and implementation of community development and housing activities

-Ineligible activities (for which grant funds may not be used) are as follows:

- . Buildings and facilities for the general conduct of government
- . Stadiums, sports arenas, auditoriums, etc. which are used by the general public primarily as spectators or observers
- . Schools
- . Transportation facilities
- . Medical facilities
- . Operating and maintenance costs, general government expenses, new housing construction, income payments, and political activities

-There is a specific requirement that the units of local government meet the requirements imposed by the National Environmental Policy Act (NEPA). In essence, except for administrative and planning activities, it will be necessary that Environmental Impact Statements be proposed, subjected to public scrutiny, and submitted to the Department of Housing and Urban Development. The procedures, and required documentation, are both extensive and potentially time-consuming (See Federal Register, Thursday, October 10, 1974). (California law currently requires EIR.)

In summary, then, the community development program defined by Federal regulations, and as envisioned by those who have worked with it from the concept to the regulatory stages, provides for:

- Assumption of full program responsibility by general purpose local government
- Local needs assessment, setting of goals and objectives, and establishment of policies, plans, and projects
- Local monitoring, evaluation, and demonstration of results

Thus, while there still remains too much Federal administtrivia, the concepts of local initiative and local management prevail. The key, then, is how well localities meet this challenge, considering the need for major changes in their historical "police powers" orientation.

III. Definitions ,

The contract between the City of Oakland and McManis Associates, and the Federal community development and housing legislation addresses a number of terms, not all of which have commonly accepted meanings. Accordingly, in order to assure mutuality of understanding, the following definitions are presented:

- Policy planning: The establishment of goals, objectives, and policies; that is, the setting of directions and the basic guideposts for reaching them.
- Budgeting: The process of translating priorities established in the policy planning process into an annual financial action plan.
- Project planning: The creation of a work program for carrying out activities approved in the budget process; to include milestone and performance standards.
- Monitoring: The function by which management keeps track of the progress of a given project or activity, both as to performance and spending.
- Evaluation: The final step in the management process; the means by which management measures the effectiveness of its efforts to achieve its goals and priorities. The results of the evaluation process should influence the totality of management decisions in the following year as the cycle of policy planning, budgeting, project planning, and monitoring, is repeated.

-Community development needs: Those deficiencies of a physical, economic, or social nature, which may be corrected, in whole or in part, by improved community facilities and other public improvements, including the provision of supporting health, social, and similar services.

IV. Preliminary Findings

- (1) Initial Decisions
- (2) Policy Planning
- (3) Budgeting (Deferred for Phase II, because of
need for early decision on other matters)
- (4) Project Planning
- (5) Monitoring
- (6) Evaluation
- (7) Over-all Capacity for Community Development
Housing Program

IV. Preliminary Findings

These preliminary findings are presented under the headings of (1) initial decisions, (2) policy planning, (3) budgeting, (4) project planning, (5) monitoring, (6) evaluation, and (7) a summary of the above.

(1) Initial Decisions

A number of initial community development decisional requirements exist.

- Assignment of responsibilities for packaging the application and administering the program.
 - . Which agencies now carry out community development activities and are likely to be involved in the new program?
 - . Which agencies will be most responsive to the elected officials who now bear the legal responsibility for the program?
 - . Can a single existing agency pull all the required resources and experience together or will something different be required?
- Who, in particular, should be charged with overall responsibility for:
 - 1. Doing the required research and planning
 - 2. Managing the application process
 - 3. Developing the program alternatives
 - 4. Designing the organizational changes that may be needed to implement the new program

- Decisions relative to the major community development strategy over the next three years:

- . What changes in population and economic base are taking place in the different areas of the city?
- . What are the absolute and relative community development needs of each area? (For example, where are streets, sewers, water systems, parks, fire stations, and other public facilities that need replacement? Where are street lights needed- or being demanded?)
- . What will the impact be of money spent for particular improvements in particular areas? (For example, will new private investment be encouraged, will blight be reversed?)
- . How will specific community development activities in different areas affect population and economic changes?
- . How much money really will be available in the next three years from Federal community development block grants, local efforts and state funds for community development activities?
- . Will you be able to deliver what you promise?
- . How long will projects take to plan, staff and complete?
- . How much will they cost?
- . What are the likely environmental impacts of specific alternative community development projects (Note: the Act makes you responsible for enforcing the National Environmental Protection Act.)

- The law requires that the application include a comprehensive housing assistance program that includes an accurate survey of current housing conditions, an assessment of the needs of lower and middle means residents, and specifies a realistic annual goal for the number of units or people to be assisted.
 - . What is the current condition of the housing stock of the city?
 - . What are the housing needs of lower income, elderly and handicapped people who now live here or who may move here?
 - . Can the city get any help in meeting its housing needs from other federal or state programs?
 - . What mechanisms can be used to help people fix up their homes to meet health and safety codes? For example, code enforcement, low interest loans, or partial tax abatements for improvements.
 - . How can the city secure the continuing cooperation of the private real estate, savings and loan, and mortgage banking community in meeting its housing needs?
- The Department of Housing and Urban Development must approve or reject the city's application within 75 days after it is accepted for review and the city's program will commence on acceptance. Applications for 1975 funds may be submitted between December 1, 1974 and April 15, 1975;

so the city's program may begin any time between January and June 1975.

- . How fast can the city get ready? Write an application? Train new people for new programs?
 - . Should the program be phased with the city's fiscal year?
 - . Are there political or administrative reasons to rush or delay the opening?
- If the formal application is not submitted or approved by January 1, 1975, an advance of funds of up to ten percent of the entitlement may be requested. The advance, in the case of Oakland, may be used to plan the community development program.
- . Can the city use resources now available to plan the Community Development program?
 - . Does the city have a way of keeping administrative control over the advance funds to prevent them from being used just to continue paying present staff without much benefit to the objectives and opportunities of the new legislation?
- The Federal legislation emphasizes the need for the existence of strong, highly developed, management systems in local governments utilizing community development block grants. As a means of fostering the creation (or strengthening/continuation) of these systems, the

legislation:

- . Permits use of block grant funds to create planning, budgeting, and evaluation capabilities.
 - . Makes the availability of future grants contingent on proper management and use of funds already received.
 - . Provides for additional discretionary grants based on the submission of thoroughly documented plans and evidence of effective use of funds previously granted.
- Accordingly, in addition to the decisions which must be made in order to obtain the initial grant, there are others, having long-term impacts, which should be reached concurrently. Among these are:
- . Is there a capability for translating the initial year's plan into specific programs? Can the money be spent in a timely manner?
 - . What controls and monitoring system are available? Can these be created within the current organization in time to be effective? Who is going to do it?
 - . What continuing information requirements exist?
 - . What type of continuing planning should be done? Where should it be located in the organization?
 - . Should the community development effort be established under a project form of management? If not, what approach should be used?

- . What evaluative approach should be used, and how, organizationally, should this be accomplished?
- . And, finally, what is the long-term (5-10 years) strategy which the city wants to follow in applying its community development and housing assistance funds? How will progress toward this strategy be measured? What are the interior milestones? Can the proposed techniques produce a synergistic effect in attracting private and other local government resources? (In essence, this series of questions addresses the need for conformance to and support of the long-range goals of the City of Oakland.)

(2) Policy Planning

The City Council does not consistently establish or adhere to clearly understood policy goals and objectives for the guidance of city government

- This lack of over-all guidance and direction has resulted in excessive emphasis on short-term program efforts, poor use of staff time, and diffusion of responsibility
- While the council has adopted a laudible set of goals and policy statements (Oakland Policy Plan, adopted October 24, 1974), few if any of these goals have been translated into measurable objectives. Since goals and policies are by nature much broader and more general than objectives, it is difficult for the council to evaluate any given program proposal against the city's long term goals or to measure relative value among various proposals. Translation of the general statements of the Policy Plan into measurable, achievable objectives is essential.

There is a demonstrable lack of adequate broad-based citizen participation in the development of policies and priority allocation of resources

- While the city has formalized a citizen participation component for a variety of specific program functions, OCCUR*, it suffers from the following deficiencies:

- (i) Restricted in scope-not comprehensive
- (ii) Viewed by many in the community as not being adequately representative (particularly with respect to low-income and minority persons)
- (iii) Inadequately funded and therefore under-staffed
- (iv) Not geographically representative
- (v) Underutilized

- While the Model Cities administered citizen participation component, WOPC (West Oakland Planning Committee) has impressive funding and a sizeable staff, it should be pointed out that:

- (i) governing board members are all from the Model Neighborhood Area in West Oakland, and thereby are not representative of the entire city;

* (OCCUR has received part of the city Section 701 grant to design citizen participation systems within the city)

- (ii) their understanding of the CP role has resulted in duplication of efforts between their parent CDA staff and WOPC staff and general confusion on the part of City Council and the community;
- (iii) leadership in the organization has been shared by only two or three individuals who are felt to be not representative of the MNA residents;
- (iv) although WOPC is a CDA delegated project, it has never acted as such. For years, it never submitted regular activity and financial reports, and refused to be monitored by CDA staff; and
- (v) policy-making experience has been limited to traditional Model Cities funded activities.

- Although the Act specifically states that its requirements for citizen participation shall not be construed..."to restrict the responsibility and authority of the applicant for the development of the application and the execution of its Community Development Program", it is nevertheless required by the Act and HUD regulations that, among other things, a process be developed which permits citizens likely to be affected by community development and housing activities, including low and moderate income persons, to articulate needs, express preferences

about proposed activities, assist in the selection of priorities, and otherwise participate in the development of the application and have individual and other complaints answered in a timely and responsive manner.

We believe Oakland does not now meet this requirement.

The city government of Oakland (council and staff)
have historically tended to avoid direct involvement in
Federal social-oriented programs

- This lack of direct involvement has created serious impediments to responsive and effective government in Oakland.
- As the various Federal programs emerged over the years, city government invariably insulated itself from direct participation.
- While most members of the present council (including the mayor) do not now share this view, the council as a whole is perceived by many in the community (and by city staff) as still unwilling to commit itself completely to such program efforts.

City staff fails to present in an adequate manner, policy options or alternatives to the Council

- Present city staff seems to lack initiative in developing policy direction for council consideration and tends instead to react to Council initiatives. It is difficult for the consultant to determine whether the Council's lack of policy guidance is the cause for this or whether the staff's lack of initiative is the cause of the Council's difficulties related in the first finding. The important thing, however, is to address the issue and find a solution to this very basic set of inter-related problems and seek greater clarification of the respective roles. The Oakland City Charter is suggested as a useful starting point.

Policy planning responsibilities in Oakland are organizationally fragmented, duplicative (and therefore costly) and poorly coordinated

- There are planning staffs in City Hall, ORA, Model Cities, and City staff. Clear recognition should be given of the fact

that policy planning for the City of Oakland must be a function of City staff.

- Although both Model Cities and Community Action are "official departments" of city government, responsible to the Manager, there is no participation of the Manager in policy deliberations of either department. The two agencies operate independent of each other with the result that both administer: a non-profit housing corporation; an economic development program and parent and parent/child services. Both fund the same Senior Citizens project.

Selected Delegate Agencies

Model Cities

Community Action

Parent, Child Development Center
Housing Development Corporation
Community Development Corporation
Social Service Bureau

24-Hour Parent-Teacher Child Care
Oakland Rehab, Incorporated
Oakland Metropolitan Enterprises
Social Service Bureau

While the Model Cities Agency executives solicit policy guidance from WOPC and a 25-member Policy Committee (with city representatives), the Community Action Agency develops policy through a nine member board, only three of them, low income clients and one, an elected Councilman.

- . Policy of the Oakland Redevelopment Agency is the responsibility of a seven-member Board appointed by the Mayor and Council. While ORA maintains that it carries out city policy through plans developed by the Planning Department, approved by the Planning Commission and voted on by Council, the procedure is barely recognizable. ORA staff usually initiates new ideas, whether they are within the city policy framework or not.

- (3) Budgeting (Deferred for Phase II, because of need for early decision on other matters)

(4) Project Planning

There is no adequate city-wide system of identifying projects, establishing performance milestones, and assigning responsibilities

- (a) While some project planning capacity exists in City Hall, ORA, and the Model Cities office, no comprehensive strategy or capacity exists in any one of them.
- (b) Capacity to do this on a city-wide basis is essential if Oakland is to adequately carry out its responsibilities in community development.

- Comprehensive project planning has evolved in the City of Oakland over the last fifteen years, basically in response to the initial city general plan adopted in 1958. Updated in 1969 with a 701 grant, the newer comprehensive plan, "Options For Oakland" is now recognized by city staff, ORA, OHA, CAA and Model Cities as the basic guide to development." As the goals statements within "Options For Oakland" are very broad (and lack specific interim objectives), project planning is many things to many people.

The basis of project planning at ORA is still the 1958 city general plan. The three NDP areas (North Oakland, East Oakland, and Chinatown) currently underway were first identified in that plan and two of them were initiated by the Planning Commission.

Project ideas are put forth by the Council, city staff, ORA or neighborhood groups. After being presented to the Council, an informal work session is held which usually results in knee-jerk action by the Council or referral to ORA (rather than city staff) for study. ORA offers a detailed response to Council, identifying: implications of Federal legislation, availability of funds; neighborhood interest; state statutory restraints; and overall feasibility. (City planning staff have implied that housing and redevelopment projects are not their legal concern and they are reticent to undertake anything not specifically assigned to them by the Council or City Manager.)

The ORA study of a proposed project is presented to the Council who (usually) give authorization to ORA to file a project application. (Here again, the Planning Department has limited experience in developing Federal applications. They have been confined to 701 and UMTA studies. ORA regularly files applications for both Federal and state assistance and was responsible for

developing the first Model Cities application.)

Once the green light is given, ORA proceeds to assemble ORA staff, City Planning and the recognized citizen's group to develop the project plan. Two contracts are let for project plan: with the Planning Department for planning services; and with the Project Area Citizens Committee for citizen guidance and community information. (ORA gives a \$25,000 grant to the Project Area Citizens Committee to hire staff and purchase supplies.)

Both the preliminary and formal plans are routed to the Planning Commission. If the plan calls for street improvements, sewer expansion, parks etc., contracts are signed with city agencies (public works, building and housing, parks and recreation.)

Although City Planning maintains that there is "minimal cooperation and mutual distrust" between ORA and that department, the ORA project coordinators do have frequent contact with the city planners.

It is important to mention that the ORA "planners" are staff within the Division of Programming and Coordination. Their role is to coordinate with and provide information and technical assistance to the community (Project Area Citizens Committee), City Hall, and developers once a project has been planned (feasibility

and mapping) by the City Planning Department and approved by the Planning Commission and the City Council. ORA staff are not planners in the traditional sense. (Only one draftsman is employed at ORA.)

Some project planning also occurs at Model Cities and Community Action. As Federal guidelines suggest program categories for both agencies (education, economic development, child care, housing etc.), projects are developed within these categories.

Model Neighborhood Area residents volunteer to serve on various CDA Study Committees which identify projects within the HUD program categories. This system of soliciting ideas takes place in lieu of action on the part of West Oakland Planning Committee. (WOPC staff has not been successful in attracting the broad citizen participation and support required.)

Project ideas are put into priority order by the Study Committee members with the assistance of CDA staff. CDA staff planners then refine ideas into project descriptions, whereby they are submitted to the WOPC Board and then to the CDA Policy Committee. (This Policy Committee consists of 25 members: 13 representing the WOPC and the remainder from city or county departments, or outside agencies, such as the School Board.) Final positive decisions of the Policy Committee are

submitted to the City Manager's office. At their discretion, items are scheduled for the Council during workshop sessions.

However, it is not unusual for WOPC Board members to waive these project planning procedures and appear before the City Council directly.

Again, the CDA "planners" are more coordinators both inside and outside their agency. They advise Study Committees of project options, write and research proposed projects. They resemble ORA "planners" in that they provide information and technical assistance to citizen groups and serve as a liaison between that group, their agency, and regular city government. CDA planners have an added responsibility, resulting from the cutback of Model Cities staff in 1973. They serve as monitors of delegate agency activities for the Model Cities Evaluation/MIS Division.

CDA staff are proud of a landscape model (on display) of all housing, commercial and recreational facilities in the Model Neighborhood Area. It was constructed by a contract architect and reflects current and anticipated land use.

Community Action activities are also subject to Federally-established categorical program areas (housing, senior citizens, economic development, child care etc.)

Both CAA Board members and citizens may submit ideas. (It should be noted that the CAA uses a different method of citizen participation in project planning. Rather than using neighborhood groups, such organizations as the Spanish Speaking Unity Council, the Filipino Community of the East Bay, Inc. are invited to submit project ideas.)

The CAA Planning Department is responsible for writing a synopsis of the project ideas and for developing a proposal. After submission to a CAA Program Committee, they are referred to the nine-member CAA Board for final action. Both the City Attorney and the Accounting Department have an input to the proposal before the last step to Council chambers.

Project coordination, technical assistance, and monitoring are the job of the CAA planning staff.

(5) Monitoring

The City does not have an over-all monitoring system to "track" progress of specific project activity (other than that necessary to fulfill fiscal accounting responsibilities).

(6) Evaluation

The City does not have an institutionalized system for evaluating project (or individual) performance or effectiveness.

Of all community development related organizations, only the Model Cities operation has an institutionalized evaluation process. While not adequate in itself to assume this responsibility for community development, the capacity and experience of the Model Cities organization should be utilized.

Each delegate agency administered by Model Cities has a measurable scope of services written into its contract. The scope of services is designed by a team involving staff of the delegate agency, WOFC and CDA.

Once criteria are agreed upon, a reporting format is designed. Submitted to CDA Evaluation staff on a monthly basis, such reports reflect delegate agency:

- (1) Staffing (preference for minorities, MNA residents);
- (2) Administrative Procedures (record keeping, fiscal accounting system, use of budgeted funds, payroll); and
- (3) Activity Measures (number of people served and how, number of services rendered, referrals).

The CDA Evaluation/MIS Division is responsible for monitoring criteria singular to the stated goals and objectives of each delegate agency and for reporting this progress to the City and to HUD. When the Monitoring Unit was cut out during the 1973 reduction of funds by HUD, the monitoring responsibility was given to the planning staff.

In addition to the staffing, administrative procedures and activity measures, the Evaluation Division also endeavors to get other knowledgeable feedback. Questionnaires tailored to the scope of services are sent to service users as well as to CDA Board members. Occasionally attitude surveys are conducted and use is made of public meeting discussion in forming evaluations.

Information taken from monthly reporting forms, questionnaires, and surveys is considered by the CDA Evaluation/MIS Division staff and the Planning Division, who serve as Monitors.

A sophisticated cross-check of monthly progress and annual objectives is easily excerpted. That, accompanied by a comparison with the activity level of similar service agencies (both inside and outside the city) is the evaluation procedure employed by the Oakland Planning Office.

Monthly reports are issued to the CDA Board, WOPC, and the City Manager's office.

Each year, an intensive evaluation, including on-site visits, audits, and personnel interviews, is conducted at each delegate agency. Findings are published and presented to Manager and Council, who have the final authority to terminate or continue agency operations.

In the third action year, when Agency funds were reduced from \$4.9 million to \$3 million, evaluation information was helpful in decisions of which delegate agencies should be terminated or reduced.

The Community Action Agency also performs program and fiscal monitoring and evaluation of its delegate agencies and internal components. Numerical and narrative data is collected on a monthly basis in reporting forms suggested by Federal guidelines. In some instances, the CAA collects more detailed data from its delegate agencies, as goals specifically address certain minorities, age groups, ethnic groups, economic levels, other assistance, education, and employability of low income people throughout the community.

A team of staff from Administration, Finance

and Planning serves as the Monitor of the monthly data and subsequent evaluation.

Periodic reports are offered by the CAA Board to the City Council.

(7) Over-all capacity for Community Development-

Housing Program

(A) Capacity:

Neither City government, as it is now structured, nor any other agency in the City of Oakland, has the present capacity to effectively carry out the broad responsibilities for community development as required under the Housing and Community Development Act of 1974.

- . While there are certain strengths and weaknesses in both structure and capacity of city government and agencies of the city, none of them, in our opinion, are adequate to effectively plan, develop, execute, monitor, and evaluate the program.

- . ORA, has demonstrated an outstanding record of performance in connection with the physical revitalization of portions of the city, but at what we consider an unusually high administrative cost.

Our analysis of present city staff, ORA, Model Cities, and CAP administrative staff overhead indicate the following:

(1)

ORA	\$1,289,219 or 1,058,703 (without real estate unit)
Model Cities	236,200
CAP	320,000
Total	\$ 1,845,419 or \$ 1,614,903

(2) Given the maximum savings projected by ORA (15-30%), total administrative costs would be \$1,130,432 or \$1,291,793.

(3) Our analysis of staff needs that would be necessary additions to present city staff to carry out the Community Development program- \$360,000 (plus a Director of Community Development)

ORA has had little experience in the broader areas of the development and execution of social programs such as those referred to in the Act as "necessary and supportive social services".

Since a prerequisite for the use of the block grant funds for such purposes is the filing of an application which includes social service programs (and rejection thereof by a Federal or State agency), ORA's proposal for a separate CD Agency leaves unanswered the very difficult policy and administrative problems inherent in that process. For instance, in order to facilitate this process, given the short time intervals, it may well be necessary for the City to delegate all of its authority and responsibility for applying for funds from HEW, EDA, OEO, DOL, etc. to the new CD Agency. The wisdom of this further erosion of the authority of city government would be questionable at best.

The Model Cities Agency has had significant experience in citizen participation, social program planning and activity, monitoring and evaluation, but no experience

in the area of physical development and redevelopment (with the exception of the Housing Development Corporation). This non-profit corporation is designed to build and rehabilitate homes in the MNA and has constructed seven detached units. HDC will act as the developer in an ORA renewal project benefitting 27 housing units. HDC also experimented with a revolving loan fund, unsuccessful because interest rates were too high for MNA residents to afford.

- . The Community Action Agency has had some experience in using community ethnic organizations, social program administration, manpower training, and some monitoring and evaluation. Its physical development activities are limited to Oakland Rehab, Inc., which has completed the purchase, rehabilitation, and sale of 18 homes. ORI also acts as a sponsor of other non-profit rehab organizations.

(B) Community Perception and Attitudes:

- Community groups and citizens in-
tended to be benefitted by the Act
perceive city staff as unfriendly
to their cause, and perceive ORA
staff as friendly and more sen-
sitive to their needs.

- In our opinion there is justification for this attitude, however, we feel that it is somewhat out of proportion to the facts. City performance in this regard over the years has varied from "very poor" to "mediocre". In the past several years, there has been noticeable improvement. The city council must bear the responsibility for correcting this unfortunate situation (whether or not the council is responsible for its existence in the first place, which we are not prepared to state). The importance of an early, vigorous course of action in this regard cannot be overemphasized.
- Institutionalized and personal contact and rapport with community groups and individuals by ORA is exemplary and undoubtedly the result of the outstanding personal efforts and commitment of ORA's Executive Director.
- Model Cities' staff have established good relations with the community affected by the program,

but because of the limited area of their activity, an over-all community image of their performance is difficult to ascertain. Because the staffing level and budget of the WOPC nearly equalled that of the CDA parent agency, confusion still exists in the community and in City Hall concerning the role of each organization.

CAPACITY OF OAKLAND AGENCIES-PLANNING

<u>Agency</u>	<u>Professional Staff</u>	<u>Division of Labor (internal)</u>	<u>Financial Base</u>	<u>Type of Planning</u>
City Planning Department	14	.Planning Admin. .Plans & Programs	100% general fund (701 and VMTA not budgeted)	.Land Use .Environmental Impact .Zoning .Updating Master Plan
Oakland Redevelopment Agency	7	.Planning .Project Coordination	80% federal (HUD, EDA, SBA) 20% state and private	.Feasibility Studies .Neighborhood Liaison .Coordination of Plan (Implementation) .TA/Information
Model Cities Agency	5	.Planning	100% federal (HUD)	.TA/Information .Monitor and Evaluation
Community Action Agency	4	.Planning .Resource Specialist	100% federal (OEO, HEW, DOL)	.Monitor .Project Description .TA/Information
Oakland Housing Authority	3	.Administrative Analysts	100% federal (plus rents)	

OAKLAND AGENCY STRENGTHS

- ORA
 - . Programming and Coordination
 - . Community Services
(including relocation and
property management)
 - . Housing and Development
(including Real Estate and
Housing)
- CDA
 - . Planning: Coordination
(including Monitor)
 - . Evaluation/MIS Division
 - . Finance
- CAA
 - . Head Start
 - . Urban Outreach
 - . Administration
(including Monitoring)
 - . Planning
(including Monitoring)

V. Recommendations

The purpose of this section is to present a series of recommendations, recognizing that at least some of them are tentative in nature. Although based upon our fact-finding and analyses of relevant documentations, it is important to gain the input of the community, the council and top management for refinement before finalizing these recommendations.

- 1.) The City Council should establish as a matter of high priority, the translation of the goals and policies of Oakland into measureable, achievable objectives.

. An "objective" as used in the classic management sense should be specific enough so that it is clearly understood what is to be done, who is to do it, within what time it is to be done, and who is to benefit.*

- 2.) The City Council should, as an integral part of its Policy Plan and goal for improved citizen participation (Res. 51836) initiate actions that would (a) evaluate city performance against these stated policies, and (b) develop training for city staff that would lead to a greater understanding of and sensitivity to the issues of citizen participation.

. The above mentioned goal and policy statement makes all of the correct assertions regarding the need for better communication, more involvement and participation by citizens, etc., but it is not clear as to how these actions will be carried out on a day to day basis for the conduct of the City's business.

. The implication of the goal and Policies taken as a whole, seems to be that given a specific activity of City government, i.e.: development of a five-year capital improvement program, the City will strive to obtain citizen input. This implication is reflected in the attitudes of city staff and makes it difficult to get to the real issues -- involvement of citizens in the total processes of government -- policy development, budgeting, resource allocation, program development, monitoring, and evaluation.

3.) In order to provide immediate involvement of citizens in the preparation of an application for Community Development funding, we recommend that the Council designate OCCUR as the facilitator of a Citizen participation process that conforms to the spirit of the Act.

. The council in doing so should address the deficiencies of OCCUR which we noted in our findings.

. The Council should also carefully monitor this process to determine if it functions as it should in order to make any necessary modifications for subsequent program years.

4.) The Oakland City Council should clearly and unequivocally adopt a policy of more direct involvement in and support of social-oriented programs, whether they be funded locally or by State or Federal resources.

. One of the deficiencies noted in our fact-finding effort was the failure of the council historically to embrace such programs.

. The Oakland Policy Plan does not clearly indicate the council's present posture.

5.) There should be established in city government a central project planning staff which would have the responsibility for identifying needed project activity, establishing performance milestones and assigning of responsibilities.

. Creation of an office of Budget and Planning would be one effective means for carrying out this recommendation.

6.) A city-wide capacity for program monitoring and evaluation should be established as an integral part of the Community Development effort.

7.) City staff should be given full and clear authority and responsibility for the carrying out of the City's program pursuant to the Housing and Community Development Act of 1974.

. Because of the deficiencies of present city staff noted in our findings, we recommend

two concurrent necessary actions:

1. ~~Creation of a city staff position of Deputy or Assistant City manager, as Director of Community Development, with immediate recruitment authorized.~~ The qualifications for this position should be carefully spelled out by the Council to insure that this position is filled by an individual with the necessary technical skills in the field of community development and housing and who also can relate well with citizens and community groups, particularly low and moderate income persons.
 - Additional staffing and organization would be developed by us, working with the Director and City manager.
 2. Meanwhile, a city task force should be charged with full responsibility for the development of the CD application, together with necessary staff to be provided on loan from ORA, OHA, Model Cities, and CAA.
- 8.) There is no single recommendation that can be made here to address the finding concerning community perception and attitude toward city government. A good faith effort to implement all of the seven preceding recommendations should go a long way toward improving the image of City Hall in the minds of those in the community who now feel a sense of alienation.

In the final analysis, however, mutual trust and respect between those governed and those who govern can only come about by way of a community dialogue that is motivated by the hearts and minds of sensitive, dedicated public servants and an informed, involved citizenry.

VI. Conclusions

A Difficult Task

We found, as we undertook our study, that Oakland was a city on the verge of great things, yet a city terribly divided.

It became clear we could not do justice to our task if we addressed only the symptoms - ie: that which appeared on the surface. We felt we must address the underlying, festering issues- and lay out the real problems facing this community. The issue of "whether City Staff or ORA" should carry out CD was clearly not the real problem.

A surface look might well conclude that looking at the present state of things, ORA, given some additional staff skills, could carry out a community development program better than the existing city staff structure. But much larger issues dominate the scene: The basic intent of the new CD legislation; the unfortunate history of city commitment to Federal programs in Oakland; the feeling of alienation of many people, particularly minorities and the poor, from their city government; and so on.

A recitation of this study, with its findings and recommendations, begins to sound like a classic study in American government today.

As noted at the outset, the proliferation of Federal categorical programs during the 50's and 60's was coupled with a proliferation of agencies and para-governmental entities. This fragmentation of effort manifested itself at the local level with the creation of Housing authorities, Renewal agencies, CAP agencies, manpower training program sponsors and so on. Not only did this make effective coordination of program efforts impossible, it also caused duplication, waste, high administrative costs, and ultimately, fewer resources left for those who were supposed to be the beneficiaries.

Probably the single most debilitating aspect of this system, was the fact that it removed all reasonable requirements for accountability- accountability to the public to be served. As programs and agencies were established, one after another, it became impossible for a citizen to determine who was responsible for what activity in the community.

Local elected officials understandably adopted the attitude..."Here's another Federal program ..." and as a result, generally failed to become involved in a meaningful way.

Such is the case with Oakland.

We are now looking at a new direction- the underlying philosophy reflected in the legislative history of the Housing and Community Development Act of 1974 is to do something about these issues: Proliferation, Fragmentation, Lack of Coordination, Duplication, Waste, Lack of Accountability. This Act clearly and concisely places full responsibility and authority upon general purpose local government for the carrying out of community development responsibilities. The funding entitlement, contrary to previous similar programs, goes directly to local government. While one provision of the act permits local government to contract with other entities for part or all of the program implementation, it should be stressed that this provision taken in conjunction with all of the requirements of the legislation would have to be narrowly construed and in such a way that it could be clearly demonstrated that any such delegation of authority would not impair the local governing body's ability to completely fulfill its responsibilities under the act.

I do not believe this could be achieved under the proposal of ORA called "New Directions for Oakland".

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